

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7843
BILL NUMBER: HB 1637

DATE PREPARED: Jan 10, 2001
BILL AMENDED:

SUBJECT: Appropriation for Public Broadcasting.

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		20,000,000	
Net Increase (Decrease)		(20,000,000)	

Summary of Legislation: This bill appropriates \$20,000,000 to the Indiana Public Broadcasting stations over two years for: (1) public radio grants to eight public radio stations; (2) public television grants to nine public television stations; and (3) conversion of nine public television stations to digital broadcasting.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill appropriates a total of \$20,000,000 for the 2001-2003 biennium. The purpose of the appropriation and the sources of funds are as follows:

(1) \$12,000,000 will be appropriated from the Build Indiana Fund for the conversion of nine public television stations to digital broadcasting and for public radio grants for FY 2002 and FY 2003.

(2) \$3,600,000 will be appropriated from the state General Fund for public television grants to be distributed equally among nine public television stations for FY 2002.

(3) \$3,600,000 will be appropriated from the state General Fund for public television grants to be distributed equally among nine public television stations for FY 2003.

(4) \$400,000 will be appropriated from the state General Fund for public radio grants to be distributed equally among eight public radio stations for FY 2002.

(5) \$400,000 will be appropriated from the state General Fund for public radio grants to be distributed equally among eight public radio stations for FY 2003.

Background: Under the current statute, surplus Lottery revenue is first transferred to the Teachers' Retirement Fund (TRF) and the Pension Relief Fund (PRF). Once these transfers are made, surplus Lottery revenue is then distributed to the Lottery and Gaming Surplus Account (LGSA) within the Build Indiana Fund.

The LGSA also receives surplus gaming revenues (revenues from the Riverboat Wagering Tax, the Parimutuel Wagering Tax, and the Charity Gaming Excise Tax). A statutorily determined amount of revenue in the LGSA is transferred each year to the Motor Vehicle Excise Tax Replacement Account (MVETRA) within the state General Fund. (Beginning with FY 2002 and continuing each year thereafter this amount is equal to approximately \$236.2 M.) The remaining money in the LGSA is then transferred to the State and Local Capital Projects Account (SLCPA). The table below outlines the actual and estimated Lottery and gaming revenue for FY 2000 to FY 2003, along with the required statutory distributions.

Surplus Lottery and Gaming Revenue & Distributions (Millions)

Revenues & Distributions	FY 2000 (Actual)	FY 2001 (Projected)	FY 2002 (Projected)	FY 2003 (Projected)
Surplus Lottery Revenue	\$173.3	\$167.0	\$167.0	\$167.0
TRF Transfer	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)
PRF Transfer	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)
Surplus Lottery Revenue to the LGSA	\$113.3	\$107.0	\$107.0	\$107.0
Surplus Gaming Revenue to the LGSA	\$252.5	\$256.6	\$256.6	\$256.6
Interest	\$18.1	\$14.0	\$14.0	\$14.0
Total Revenue to LGSA	383.9	377.6	377.6	377.6
MVETRA Transfer	(\$219.8)	(\$234.7)	(\$236.2)	(\$236.2)
SLCPA Transfer	(\$164.1)	(\$142.9)	(\$141.4)	(\$141.4)

The balance of the BIF as of June 30, 2000, is \$342.1 M.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: State Budget Agency